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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

VIRTUAL POINT INC., a California corporation
dba Captive Media,

Plaintiff,

vs.

HEDERA AB, a Swedish limited liability company,

Defendant.

Case No. 3:13-cv-5690

COMPLAINT FOR:

1. Declaratory Judgment of no
Trademark Infringement,
Unfair Competition, or
violation of the
Anticybersquatting
Consumer Protection Act,
and that Plaintiff is rightful
holder of <Stabletable.com>
domain name;
2. Common Law Unfair
Competition; and
3. Unfair Competition Under
Cal. Bus. & Prof. Code Sec.
17200

**DEMAND FOR JURY
TRIAL**

Plaintiff Virtual Point Inc. dba Captive Media ("Plaintiff"), by its attorney, for its
Complaint alleges:

NATURE OF ACTION

This action seeks a declaratory judgment that Plaintiff's registration and use of its
valuable domain name property <Stabletable.com> (hereinafter "the Domain Name") does

1 not constitute trademark infringement, unfair competition, or a violation of the Anti-
 2 cybersquatting Consumer Protection Act (“ACPA”), and that Plaintiff is the rightful
 3 registered name holder or registrant of the Domain Name. This action also seeks relief for
 4 Defendant’s bad faith actions constituting common law unfair competition and unfair
 5 competition in violation of California Business & Professions Code Sec. 17200 *et seq.*

6 **JURISDICTION AND VENUE**

7 1. Pursuant to 28 U.S.C. §§ 2201(a) and 2202, Plaintiff seeks a declaration and
 8 judgment regarding its rights and obligations in an actual controversy within this Court’s
 9 jurisdiction, concerning Plaintiff’s rights in and to the Domain Name. Subject matter
 10 jurisdiction exists in this case pursuant to 28 U.S.C. § 1331, giving this Court original
 11 jurisdiction in a civil action raising a federal question under 28 U.S.C. § 1338(a), the
 12 Lanham Act, 15 U.S.C. § 1051, *et seq.*, and the ACPA, 15 U.S.C. § 1125(d), giving this
 13 Court original and exclusive jurisdiction in a civil action arising under the trademark and
 14 cybersquatting laws of the United States. Pendent jurisdiction exists over the state law
 15 claims.

16 2. This Court has personal jurisdiction over Defendant because the Defendant has
 17 sufficient contacts with the State of California and this judicial District subjecting it to the
 18 general and specific personal jurisdiction of this Court pursuant to Cal. Code Civ. Pro. §
 19 410.10. Defendant has purposefully availed itself to this forum through general business
 20 presence and by demanding that Plaintiff cease use of the Domain Name and transfer same
 21 to Defendant. Also, Defendant has consented to jurisdiction of the courts at the location of
 22 the principal office of the concerned registrar. The Domain Name is registered with
 23 DynaDot LLC, whose principal place of business is located in San Mateo, California.

24 3. Venue is proper in this Judicial District under 28 U.S.C §§ 1391, because the
 25 Court has personal jurisdiction over the Defendant and because Plaintiff’s claims arise from
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1 Defendant's activities in this District, including its consent to jurisdiction and venue in this
2 District.

3 **THE PARTIES**

4 4. Plaintiff is a California corporation with its principal place of business in Irvine,
5 California.

6 5. Plaintiff is a web development company who has developed several businesses
7 and websites including without limitation: UDRPsearch.com, Gamex.com,
8 CrosswordGames.com, Racex.com, Frip.com, Y10.com, ShakeItUp.com, and Dity.com.

9 6. Upon information and belief, Defendant Hedera AB is a Swedish limited liability
10 company with its principal place of business at Stora Sodergatan 31, SE-222 23 Lund,
11 Sweden.

12 7. Upon information and belief, Defendant is a company that offers self-stabilizing
13 table bases that are primarily marketed and sold to hotels, restaurants, bars and cafes.

14 **FACTUAL BACKGROUND**

15 **Introduction**

16 8. Domain Names are essentially Internet Protocol addresses that point and direct
17 Internet users to their desired destination, and they are valuable pieces of property that many
18 liken to the new "real estate" of our burgeoning virtual society. Domain name and website
19 development is a legitimate and important industry. Plaintiff is a prominent and respected
20 web development company.

21 9. In recent years, overreaching trademark owners have sought to capitalize on this
22 thriving market by filing baseless trademark infringement lawsuits or taking advantage of
23 the administrative system set up by ICANN (the California corporation that administers the
24 Domain Name System ("DNS")), and using them to intimidate domain name holders into
25 transfer; essentially to swipe valuable descriptive, generic, keyword and/or dictionary
26

1 domain names away from their rightful owners. These abusive lawsuits are threatening
2 meaningful development of domain name and Internet investment and innovation.

3 10. Such is the situation that is before the Court in this Complaint. Defendant has
4 already filed a Uniform Domain-Name Dispute Resolution Policy action, accusing Plaintiff
5 of lacking a legitimate business interest in the Domain Name and registering the Domain
6 Name in bad faith. Defendant has demanded the prompt transfer of the Domain Name from
7 Plaintiff to Defendant.

8 11. These serious and baseless accusations and threats establish an actual
9 controversy between the parties and thus Plaintiff requests that this Court grant declaratory
10 and affirmative relief in its favor.

11 The Domain Name Registration

12 12. Plaintiff, dba CrossPath, created and registered the Domain Name
13 <Stabletable.com> in good faith on or about November 24, 2007. Plaintiff subsequently
14 changed their business name from CrossPath to Captive Media in 2012, but retained
15 ownership and possession of the Domain Name property.

16 13. Defendant contacted Plaintiff on or about November 14, 2008, stating that
17 Defendant was starting a new business and new name and was interested in purchasing the
18 Domain Name from Plaintiff. Thus it appears that Plaintiff's registration of the Domain
19 Name predates Defendant's business and use of the phrase StableTable by at least one year.

20 The Use

21 14. Plaintiff has not used the Domain Name in connection with goods or services
22 related to those registered in connection with Defendant's mark, namely self-stabilizing
23 table bases. Neither did Plaintiff register the Domain Name with the intent to sell it to
24 Defendant. Plaintiff has never offered to sell the Domain Name to Defendant, except in
25 response to Defendant's request to purchase the name. Nor has Plaintiff attempted to disrupt
26

1 the Defendant's business by confusing consumers trying to find the Defendant's website, or
2 otherwise.

3 15. Content at the website has never been focused upon Defendant, Defendant's
4 business, or Defendant's competitors, but instead currently resolves to a login page for
5 customers.

6 The Weak Trademark

7 16. The term "StableTable" is composed of two dictionary words that are both
8 commonly used in the English language in a large number of generic or descriptive ways,
9 and also as a part of other companies' trademarks.

10 17. In fact, in an Office Action dated May 16, 2011, the US Patent and Trademark
11 Office ("USPTO") ruled that Defendant's use of the term STABLETABLE was descriptive
12 "because it merely describes a feature or characteristic of applicant's goods and services."
13 As a result Defendant was required to disclaim the term STABLETABLE from their
14 trademark -- and thus Defendant claims no exclusive rights to those words in the United
15 States, yet nevertheless has filed an administrative proceeding against Plaintiff, seeking
16 transfer of the Domain Name.

17 18. There are other active US trademark registrations, not owned by Defendant, that
18 use the terms "Stable" and "Table" together, including STABLE TABLE (which has at least
19 two live individual registrations owned by two different registrants who are not Defendant),
20 and TABLE STABLE (which has at least one live individual registration owned by a
21 registrant who is not Defendant).

22 19. There are some 242 active trademark records in the USPTO containing the word
23 STABLE, virtually all of which are not owned by Defendant.

24 20. There are more than 1,100 active trademark records in the USPTO that contain
25 the word TABLE, virtually all of which are not owned by Defendant.
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21. There are hundreds of legitimate uses of the formatives “stable” together with “table” in trademarks, domain names and websites owned by third parties – in addition to STABLETABLE.COM -- including without limitation products such as a shooting bench, a portable lap desk and a breakfast serving tray.

22. Defendant does not own and cannot rightfully claim exclusive rights to use of the common words STABLE and TABLE, separate or apart, as used in a domain name, trademark or otherwise. At best, Defendant’s trademark rights are weak and narrowly limited to the field of metal stabilizers for tables.

Defendant’s Activities That Create a Justiciable Controversy

23. On December 4, 2013, a representative for Defendant emailed Plaintiff a copy of a UDRP complaint filed with the World Intellectual Property Organization (WIPO), which accused Plaintiff of registering the Domain in bad faith and demanded prompt transfer of the Domain Name to Defendant.

24. On that same day, Plaintiff responded to Defendant’s representative questioning the validity of the UDRP action, explaining that they were not using the Domain Name in an infringing matter. Plaintiff explained that they had received a communication from Defendant in 2008, where Defendant explained that they were looking for a domain for a new business and new name – a year after Plaintiff registered the Domain Name. Plaintiff also requested that Defendant inform Plaintiff of their affiliation with numerous other domain names containing the terms or a combination of the terms “Stable” and “Table”.

25. On December 6, 2013, Defendant’s representative did not provide information with regard to their affiliation with the additional domains in question.

26. Plaintiff responded two days later to Defendant’s comments and to inquire whether Defendant’s representative was authorized to accept service of process.

27. Plaintiff refuses to transfer its rightful property to the Defendant, or to anyone else.

1 28. Defendant's actions and communications show a clear intent to illegally obtain
 2 the Domain Name through inapposite administrative process, namely the UDRP action,
 3 which generally alleges similar elements as an ACPA claim under U.S. law, and which
 4 could form the basis of trademark infringement and/or unfair competition claims under U.S.
 5 law. Thus an actual, substantial and immediate controversy exists, justifying the declaratory
 6 relief that Plaintiff seeks.

7 Defendant's Activities that Create a Claim for Unfair Competition

8 29. Defendant produces and sells self-stabilizing table bases that are primarily
 9 marketed and sold to hotels, restaurants, bars and cafes.

10 30. Plaintiff has not used the Domain Name to offer any goods or services that are
 11 related to or compete with those of Defendant, nor for any other illegitimate purpose.

12 31. Defendant's accusations of trademark infringement are objectively specious and
 13 baseless, and have been made in bad faith in an effort to obtain ownership of the Domain
 14 Name.

15 **COUNT I: CLAIM FOR DECLARATORY RELIEF**

16 32. Plaintiff realleges paragraphs 1-31 of this Complaint.

17 33. Plaintiff rightfully registered the Domain in good faith, and with no intent to sell
 18 the Domain Name to Defendant. Plaintiff had no intention of confusing any of Defendant's
 19 customers or diverting any traffic from Defendant's websites.

20 34. "Stable" and "Table" are common, generic, dictionary terms that are commonly
 21 used in many business names, trademarks and domain names. Defendant has no exclusive
 22 right to the use of the term "StableTable", or the words "Stable" and "Table" in a trademark,
 23 domain name or otherwise.

24 35. The USPTO has ruled that Defendant must disclaim any exclusive rights to the
 25 term STABLETABLE because it is merely descriptive as applied to Defendant's goods.
 26

1 36. Plaintiff believed and had reasonable grounds to believe that the registration and
2 its use of the Domain Name was and is lawful.

3 37. Defendant has initiated administrative proceedings, contending that Plaintiff used
4 the Domain Name in violation of trademark and unfair competition laws.

5 38. A justiciable controversy exists between Plaintiff and Defendant.

6 39. To resolve this actual controversy, Plaintiff seeks a declaration and judgment that
7 it is not infringing Defendant's trademark rights, that Plaintiff is not violating unfair
8 competition laws and/or the ACPA, that its registration and use of the Domain Name is a
9 good faith use, and that Plaintiff is the rightful owner of the Domain Name.

10 **COUNT II: CLAIM FOR COMMON LAW UNFAIR COMPETITION**

11 40. Plaintiff realleges paragraphs 1-39 of this Complaint.

12 41. Defendant has initiated administrative proceedings, contending that Plaintiff used
13 the Domain Name in violation of trademark and unfair competition laws.

14 42. Defendant's wrongful and baseless accusations of infringement have created a
15 cloud on Plaintiff's title to the Domain Name.

16 43. As a result of Defendants' past and continued wrongful acts, Plaintiff has
17 incurred damages in an amount to be proved at trial, including compensation for Plaintiff's
18 time, effort and attorneys' fees in defending against Defendant's baseless claims.

19 **COUNT III: CLAIM FOR UNFAIR COMPETITION**
20 **UNDER CAL. BUS. & PROF. CODE SEC. 17200**

21 44. Plaintiff realleges paragraphs 1-43 of this Complaint.

22 45. Defendants' wrongful acts, as described in this Complaint, are unlawful, unfair
23 and fraudulent, and cause damage to Plaintiff and injure its business, in violation of section
24 17200 of the California Business and Professions Code.

1 46. As a result of Defendants' past and continued wrongful acts, Plaintiff has
2 incurred damages in an amount to be proved at trial, including compensation for Plaintiff's
3 time, effort and attorneys' fees in defending against Defendant's baseless claims.

4
5 **PRAYER FOR RELIEF**

6 WHEREFORE, Plaintiff prays for judgment as follows:

- 7 a. a declaration that Plaintiff is not infringing the trademark rights of Defendant;
8 b. a declaration that Plaintiff is not violating unfair competition law;
9 c. a declaration that Plaintiff is not violating the ACPA;
10 d. a declaration that Plaintiff registered and used the Domain Name in good faith
11 and is the rightful registrant of the Domain Name;
12 e. a finding awarding Plaintiff monetary compensation for damages sustained by
13 Defendants' wrongful actions as alleged in this Complaint;
14 f. an award of reasonable attorneys' fees and expenses; and
15 g. such other and further relief as the Court may deem just and proper.
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17 **DEMAND FOR JURY TRIAL**

18 Plaintiff respectfully requests that all issues in this case be decided by a jury.
19

20 Dated: December 9, 2013

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